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DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT  
WASHINGTON, D.C. 20410

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# *Analysis of the* **MUSKEGON, MICHIGAN HOUSING MARKET**

**as of February 1, 1967**

A Report by the  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
FEDERAL HOUSING ADMINISTRATION  
WASHINGTON, D. C. 20411

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ANALYSIS OF THE  
MUSKEGON, MICHIGAN, HOUSING MARKET  
AS OF FEBRUARY 1, 1967

Field Market Analysis Service  
Federal Housing Administration  
Department of Housing and Urban Development

## Foreword

As a public service to assist local housing activities through clearer understanding of local housing market conditions, FHA initiated publication of its comprehensive housing market analyses early in 1965. While each report is designed specifically for FHA use in administering its mortgage insurance operations, it is expected that the factual information and the findings and conclusions of these reports will be generally useful also to builders, mortgagees, and others concerned with local housing problems and to others having an interest in local economic conditions and trends.

Since market analysis is not an exact science, the judgmental factor is important in the development of findings and conclusions. There will be differences of opinion, of course, in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

The factual framework for each analysis is developed as thoroughly as possible on the basis of information available from both local and national sources. Unless specifically identified by source reference, all estimates and judgments in the analysis are those of the authoring analyst and the FHA Market Analysis and Research Section.

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ANALYSIS OF THE  
MUSKEGON, MICHIGAN, HOUSING MARKET  
AS OF FEBRUARY 1, 1967

Summary and Conclusions

1. The economy of the Muskegon, Michigan, Housing Market Area (HMA) is dependent on manufacturing industries, particularly primary and fabricated metals, nonelectrical machinery, and transportation equipment. In 1966, manufacturing industries provided approximately 28,100 jobs, 56 percent of nonagricultural wage and salary employment which totalled 50,100. Wage and salary employment has increased substantially within the last two years. In 1966, the number of unemployed persons in the HMA averaged 2,200, about 3.8 percent of the work force. Unemployment has declined gradually since the 1961 peak of 8.7 percent. During the February 1967-February 1969 forecast period, nonagricultural wage and salary employment is expected to increase by about 1,100 jobs annually.
2. The median income, after the deduction of federal income tax, of all families in the Muskegon HMA is about \$6,575; for renter households of two or more persons the median income is \$5,175. By 1969, median after-tax incomes will rise to approximately \$6,775 for all families and to \$5,350 for renter households.
3. As of February 1967, the population of the HMA was approximately 161,750, an increase of 1,725 annually since 1960. During the forecast period, the population of the HMA is expected to increase by about 1,975 annually.
4. There were approximately 45,400 households in the HMA in February 1967, an increase of about 440 annually since 1960. The number of households is expected to increase by about 550 annually during the forecast period.
5. As of February 1967, there were approximately 49,250 housing units in the HMA, a gain of about 410 annually since 1960. During the 1960-1966 period, the number of housing units authorized fluctuated from a low of about 540 in 1962 to a high of nearly 710 in 1965. In February 1967, there were approximately 200 housing units under construction, including 170 single-family houses and about 30 multifamily housing units.

6. As of February 1967, it is estimated that there are 1,150 available, vacant, nonseasonal, nondilapidated housing units in the HMA, equal to a net vacancy ratio of 2.5 percent. Of these, 500 units were available for sale and 650 were available for rent, representing sales and rental vacancy ratios of 1.4 percent and 6.8 percent, respectively.
7. The annual demand for new privately-owned housing units during the February 1967-February 1969 forecast period is estimated at 640 units, including 580 single-family houses and 60 multifamily housing units. An additional 40 units of multifamily housing could be absorbed annually at the lower rents achievable with public benefits or assistance in financing, exclusive of public low-rent or rent-supplement accommodations. The demand for single-family houses by price class is indicated on page 26. The demand for multifamily housing is discussed on page 27.

ANALYSIS OF THE  
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Housing Market Area

For the purposes of this analysis, the Muskegon, Michigan, Housing Market Area (HMA) is defined as Muskegon County. The HMA is identical with the Muskegon Standard Metropolitan Statistical Area and the Muskegon Labor Market Area. Located on the eastern shore of Lake Michigan, Muskegon County lies in the southwestern portion of the state of Michigan. In 1960, the population of the Muskegon HMA was approximately 149,950.<sup>1/</sup> In addition to the cities of Muskegon and Muskegon Heights with 1960 populations of about 46,500 and 19,550, respectively, two townships (Muskegon and Norton) had over 17,500 persons each. Seven incorporated cities and villages had less than 4,000 persons each.

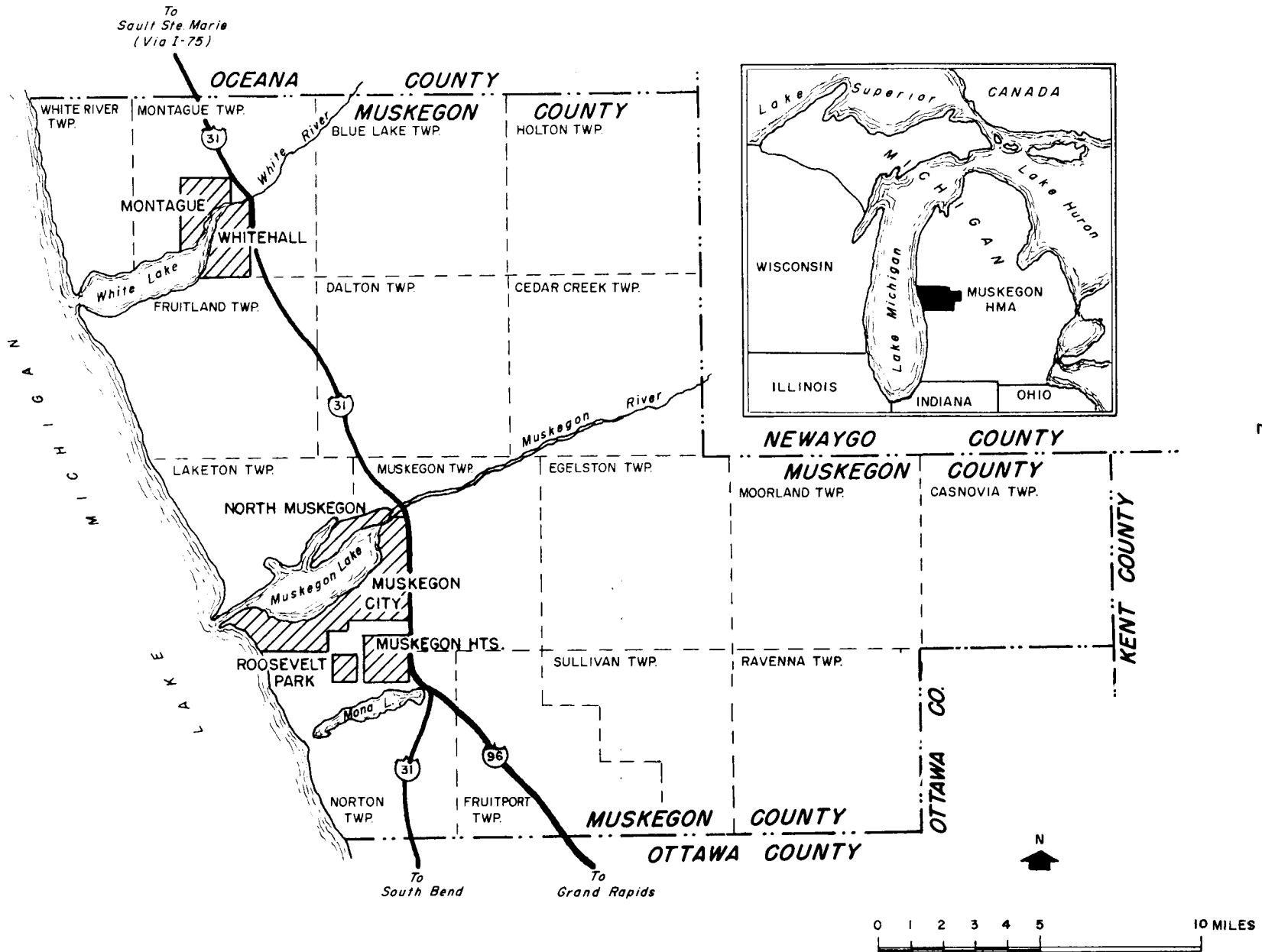
Muskegon City, the county seat, is situated on the shore of Muskegon Lake, one of several fine natural harbors on Lake Michigan. By highway, the city is located about 190 miles northwest of Detroit, about 190 miles northeast of Chicago, and about 300 miles east of Milwaukee. The area is served by good transportation facilities. Interstate 96 leads southeast to Grand Rapids and U.S. 31 links the city with South Bend, Indiana on the south, and to the north with Interstate 75 which runs to Sault Ste. Marie. The Chesapeake and Ohio Railway provides rail freight transportation to and from Muskegon. North Central and United Airlines provide daily air transportation services at Muskegon County Airport.

In 1960, the Census of Population reported that of a total of approximately 54,325 workers who lived in the HMA about 1,500 commuted to jobs in the counties contiguous to the HMA. At the same time, about 3,550 persons from these counties commuted to the HMA, indicating a net in-commutation of approximately 2,050. Nearly 69 percent of the in-commuters resided in Oceana and Ottawa Counties. It is judged that net in-commutation has increased slightly because of the increase in employment in the last two years.

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<sup>1/</sup> Inasmuch as the rural farm population of the HMA constituted only two percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of farm and nonfarm data.

# MUSKEGON, MICHIGAN, HOUSING MARKET AREA





## Economy of the Area

### History and Character

Although French explorers and missionaries explored the area the first half of the sixteenth century, permanent settlement was delayed until a trading post was established in 1810. From 1810 to 1837, trapping and fur trading were the principal economic activities in the area. The lumber trade became important about 1837. Until about 1900, logging, saw-milling, and the shipment of lumber provided an impetus to development in the area. Around 1884, when the lumber industry was at its peak, there were nearly 40 lumber mills near Muskegon Lake. These produced nearly 640 million board feet of lumber and nearly 330 million shingles a year. By 1900, however, lumber production had declined to nominal levels because the accessible supply of timber in the area had been depleted.

The decline of the lumber industry was followed by the rise of manufacturing to a pre-eminent position in the local economy, although manufacturing firms had been established in the area as early as 1857 when the first foundry and machine shop was built. Manufacturing in the area was given a boost in 1905 when Continental Motors located its internal combustion engine plant in Muskegon. Since then, the company has expanded considerably and has become the area's largest employer. The growth of Continental Motors has encouraged the location and expansion of other firms in the area, the products of which are utilized by Continental Motors and the automotive industry in general.

Manufacturing industries accounted for over 56 percent of the estimated 51,600 nonagricultural wage and salary jobs in the area in January 1967. The principal manufacturing industries are in the durable goods sector (particularly primary and fabricated metals, nonelectrical machinery, and transportation equipment) which usually is sensitive to national economic fluctuations; consequently, the economy of the area was affected adversely by the 1961 recession as indicated by employment and unemployment trends in tables I and II. Within the last two years, however, the strong demand for goods and services induced by national economic prosperity and the Vietnam conflict has resulted in a high level of employment in the HMA.

Muskegon County was organized in July 1859, with the village of Muskegon as the county seat. Muskegon was incorporated as a city in 1869. Muskegon Heights was incorporated in 1903. Roosevelt Park, one of the smallest of the cities and the most recently incorporated, became a city in 1946. There are a large number of additional local governments (cities, villages, and townships) in the area.

### Work Force

As of January 1967, the civilian work force in the Muskegon HMA is estimated at 59,700, the highest level recorded since collection of these data began in January 1960. The work force averaged 58,300 in 1966, about 2,300 more than in 1965, but only 1,100 more than in 1960. Influenced by the loss of jobs during the 1960-1961 recession, the loss of a major employer, and a reduction in military contracts for transportation equipment and replacement parts, the work force declined steadily from 57,200 in 1960 to 54,800 in 1964. The work force increased substantially after 1964, partly because of the availability of new jobs in the area.

### Employment

Current Estimate. As of January 1967, nonagricultural employment in the HMA totalled 56,900, about 2,800 more than the total in January 1966. Nonagricultural employment averaged 55,500 in 1966, about 2,700 more than in 1965. The 1966 average included 50,100 wage and salary workers and 5,400 other nonagricultural workers.

Past Trend. The 1966 average of 50,100 wage and salary workers represented an increase of 4,100 (nine percent) since 1960; however, wage and salary employment fluctuated somewhat during the 1960-1966 period. From the 1960 level of 46,000, wage and salary employment declined substantially (1,200) in 1961 because of the recession. This loss was virtually regained in the 1961-1963 period when wage and salary employment increased by 1,100. A moderate decline occurred in 1964, mainly because of employment fluctuations at Continental Motors Corporation and Campbell, Wyant and Cannon Foundry, two of the major employers in the area. In the 1964-1966 period, wage and salary employment increased by 4,800 because of increased demand for machinery and transportation equipment by the aircraft industry and for military uses. The increase within the last two years has raised wage and salary employment to the highest level since initiation of this series in 1960. As of January 1967, wage and salary employment totaled 51,600, substantially higher than the 48,600 registered in January 1966.

Trend of Nonagricultural Wage and Salary Employment  
Muskegon, Michigan, HMA  
Annual Averages, 1960-1966 .

<u>Period</u>	<u>Manu- facturing</u>	<u>Nonmanu- facturing</u>	<u>Total nonag. wage and salary employment</u>	<u>Change from previous year</u>	
				<u>Number</u>	<u>Percent</u>
1960	25,300	20,700	46,000	-	-
1961	24,000	20,700	44,800	-1,200	-2.6
1962	25,100	20,600	45,600	800	1.8
1963	25,400	20,600	45,900	300	.7
1964	24,400	20,800	45,300	-600	-1.3
1965	25,900	21,400	47,400	2,100	4.6
1966	28,100	22,000	50,100	2,700	5.7
<u>January</u>					
1966	27,200	21,400	48,600	-	-
1967 <sup>a/</sup>	29,000	22,500	51,600	3,000	6.2

<sup>a/</sup> Preliminary.

Note: Subtotals may not add to total because of rounding.

Source: Michigan Employment Security Commission.

Employment by Industry

Manufacturing. Employment in manufacturing is concentrated in the durable goods industries which, typically, are subject to considerable cyclical fluctuations. Despite employment losses during the 1961 recession and in 1964, however, the proportion of employment in manufacturing has remained between 54 and 56 percent (relatively stable) during the 1960-1966 period.

In 1966, there were approximately 28,100 manufacturing jobs in the area, about 2,800 (11 percent) more than in 1960. Between 1960 and 1964, however, there was a net decline of 900 in manufacturing employment to a total of 24,400. Between 1964 and 1966, employment in manufacturing increased substantially by 3,700 (15 percent). Much of the growth in manufacturing employment in the 1964-January 1967 period is attributable to expansion at Misco Precision Casting Co., a division of the Howmet Corporation, and to job increases at Continental Motors. The latter has received several Department of Defense contracts for truck engines.

In 1966, the durable goods industries provided 24,800 jobs, nearly 50 percent of wage and salary employment. Employment in these industries declined in the 1960-1961 recession and again in 1964, when military contracts to area firms were reduced. Despite these losses, a net of 2,700 jobs (12 percent of the 1960 total) have been added in the 1960-1966 period, all of which were added after 1964.

The primary and fabricated metal industries accounted for 8,700 jobs in 1966, 17 percent of wage and salary employment. Employment in these industries has increased each year since 1961 and a total of 3,000 jobs have been added; nearly 50 percent of the increase occurred within the last two years. Employment increases in the metals industry resulted mainly from expansion at the Campbell, Wyant, and Cannon Foundry, manufacturers of gray iron, and alloy castings, and Misco, makers of high alloy steel and aluminum castings.

In 1966, the nonelectrical machinery industry employed about 7,500 persons, 15 percent of wage and salary employment. Employment in this industry declined by 400 in 1961, but the loss was completely offset in 1962. Since 1964, about 1,200 jobs have been added in the industry, mainly because of employment gains at Kaydon Engineering, Continental Motors Corporation, and Sealed Power Corporation.

The transportation equipment industry employed about 4,900 in 1966, ten percent of wage and salary employment. There was a small decline in employment in the transportation equipment industry in 1961, a substantial increase in 1962, and a moderate decline in 1964. The 600 jobs lost in 1964 were regained in 1965 and 200 more jobs were added in 1966. Employment fluctuations in the transportation equipment industry resulted from variations in employment at Continental Motors, the dominant producer in the industry.

Employment in other durable goods declined by 2,600 in the 1960-1963 period, partly because of the loss of a major electrical machinery firm. Employment in the other durable goods category has remained relatively stable since 1963.

Employment in the nondurable goods industries totalled 3,300 in 1966 and has been relatively stable throughout the 1960-1966 period. In 1966, food and kindred products employed 500. Employment in the food industry has been stable since 1963, following a slight decline. The chemicals, petroleum, and related products group, which has lost 300 jobs since 1963, employed 1,000 in 1966. Employment in the other nondurable goods industries (which includes a substantial number of jobs in the paper and allied products industry) averaged 1,800 in 1966, an increase of 400 since 1960.

Nonmanufacturing. In 1966, there were approximately 22,000 workers employed in nonmanufacturing industries, 44 percent of wage and salary employment. Employment in nonmanufacturing industries showed very little change in the 1960-1963 period, but has increased substantially (1,400) since 1963.

Employment in trade (which accounted for 15 percent of wage and salary employment) totalled 7,500 in 1966, about 500 more than the low registered in the 1963-1964 period. The 1966 total, however, was only 300 more than the 1960-1962 employment level. Retail trade accounted for nearly 79 percent of all employment in trade in 1966.

Approximately 4,700 were employed in services in 1966, or nine percent of wage and salary employment. Employment in services has increased slightly since the 1960-1962 level of 4,400.

In 1966, government employed approximately 4,600, nine percent of wage and salary employment. Employment in government has increased by 200 over the 1960-1962 employment figure. Employees of local government accounted for 89 percent of total employment in government in 1966.

Transportation, communications, and public utilities provided 2,300 jobs in 1966, slightly less than in 1960. Employment in the industry has been stable throughout the 1960-1966 period.

Employment in the construction industry totalled 1,700 in 1966, an increase of 500 since 1963. Employment in the construction industry declined slightly during the 1960-1962 period. The increase in employment in the construction industry since 1963 resulted mainly from the building of new plants for some local firms, as well as the building of various public facilities such as a new city hall, an osteopathic hospital, a modern community college building, and new shopping centers. The finance, insurance, and real estate group provided 1,200 jobs in 1966, slightly less than in 1965 but 200 more than the 1960-1961 level.

Employment Participation Rate. The employment participation rate is the ratio of nonagricultural employment to the population. Census data indicated that the participation rate was 33.92 percent in 1960, compared with 33.53 percent in 1950. On the basis of twelve-month averages of employment estimates which include in-commuters but exclude area residents employed elsewhere, the participation rate is calculated to be 34.44 percent in February 1967 and 34.41 percent in 1960. A slight increase in the participation rate is expected during the forecast period.

Principal Employment Sources. Data compiled by a local newspaper and released by the local Chamber of Commerce indicate that currently there are about 21 manufacturing establishments in the area with over 250 employees each. Of these, eight firms employed over 1,000 persons, seven employed between 500 and 1,000, and six establishments had between 250 and 500 workers.<sup>1</sup>

Continental Motors Corporation is the largest employer, with over 5,000 workers employed at its transportation equipment and machinery plants. The history of the company dates back to 1902 when R. W. Judson developed an internal combustion engine. The Studebaker Company soon placed a large order for the new engines. As part of an expansion program, Continental Motors relocated its plants in Muskegon in 1905. A few years later, a car powered by an engine built by Continental Motors won the "Indianapolis 500", which enhanced the popularity of Continental's products. During the first world war the company collaborated with the government in the design and production of truck engines. During the second world war Continental Motors built air-cooled engines for light and medium planes and tanks as well as liquid-cooled power plants for a variety of combat uses. In addition to truck engines for military and other uses, the company produces motors for agricultural uses, small power plants, and aircraft engines. Employment by the company has increased within the last two years, partly because of the receipt of several Department of Defense contracts. Employment by the company is expected to remain high during the forecast period, although company officials do not foresee any large net increase in the number of persons employed.

Campbell, Wyant, and Cannon Foundry is the second largest employer in the area with approximately 3,200 workers. The company was established in 1908 and was an early supplier of castings to Continental Motors. Currently, the company produces gray iron and alloy castings for the automotive industry, including parts for trucks, tractors, and diesels. Company officials indicate that employment increased by about 15 or 20 percent within the last two or three years, but no major change in the number of employees is anticipated during the next two years.

Sealed Power Corporation (established in 1911 as the "Piston Ring Company") is the third largest manufacturing employer, with over 1,800 workers. Like several other firms in the area, the company prospered in its early days by supplying Continental Motors. Today, Sealed Power Corporation is one of the largest producers of piston rings for the automobile industry. More than 300 new jobs have been added within the last three years; future employment prospects have not been revealed.

<sup>1</sup>/ All data on individual firms in this section of the report were obtained from public releases of The Muskegon Chronicle or from the firms themselves.

Misco Division, Howmet Corporation is also one of the major employers in the area. The company opened a plant in Whitehall in 1951 and another in Muskegon in 1955 for the production of castings for aircraft and jet engines, gas turbines, generators, and precision instruments. Employment increased gradually and totalled about 900 late in 1965. Since then, employment has almost doubled to the present total of about 1,700. Employment is expected to increase further during the forecast period, although not quite as fast as in recent years. Company officials indicate that the total number of employees at the end of 1967 is expected to be about 2,000.

The four other establishments which employed over 1,000 persons each and their respective products are: Lakey Foundry, gray iron castings; Dresser Crane, Hoist and Tower, machinery for hoisting and lifting; Shaw-Walker Company, office furniture and supplies; and the Brunswick Corporation, bowling and billiard equipment and supplies.

Several of the firms which employ fewer than 1,000 persons each are engaged in the production of machinery and parts used in the automotive and transportation equipment industries, such as power transmissions, pistons and piston rings, cylinders, ball and roller bearings, landing gears, and mechanical springs and wire products. Employment is expected to remain high in many of these firms in response to strong demand for machinery and equipment in the aircraft and transportation industries.

#### Unemployment

In 1966, the number of unemployed in the Muskegon HMA averaged 2,200, slightly less than in 1965, and equal to about 3.8 percent of the work force of 58,300. Unemployment reached a peak of 4,900 (8.7 percent) in 1961, then declined gradually to the 1966 low. As of January 1967, there were about 2,300 unemployed persons in the HMA, 3.9 percent of the work force. The January 1967 unemployment total is slightly above that registered in January 1966, when there were 2,000 unemployed persons (3.5 percent). The comparatively small number of unemployed persons in 1966 and in January 1967 (many of whom are either unskilled or inexperienced) indicates the tightness which has developed in the labor market during the last few months of 1966. Some employers indicated that in recent months they have advertised outside the labor market area in order to recruit workers.

#### Future Employment

During the February 1967-February 1969 forecast period, nonagricultural wage and salary employment in the Muskegon HMA is expected to increase by about 1,100 jobs annually. The anticipated increase in employment is based on the employment expectations of some of the major employers in

the area, the employment trends observed in the various manufacturing and nonmanufacturing industries, and on the assumption that there will be no major change in the rate of growth of the national economy and in the amount and distribution of defense expenditures.

Most of the projected increase in employment is expected in manufacturing industries, which are expected to add about 800 new jobs annually. The anticipated increases in the metal industry should total 400 jobs and about 200 new jobs yearly are expected in the nonelectrical machinery industry. An anticipated 150 jobs annually is projected for the transportation equipment industry. Small changes in other manufacturing industries are expected to contribute a net of about 50 jobs annually during the forecast period.

Based on the expected increase in manufacturing, the demand for goods and services in the area is expected to increase. This should result in an increase of about 300 jobs annually in nonmanufacturing industries. Approximately 100 new jobs annually are expected in trade and about the same number in services. Government and construction each are expected to add 50 jobs annually. A small increase in finance, insurance, and real estate probably will be offset by a small decline in transportation and communications.

#### Income

The current median income, after the deduction of federal income tax, of all families in the Muskegon HMA is \$6,575. The median after-tax income of renter households of two or more persons is \$5,175. By 1969, the median family income, after tax, will increase to approximately \$6,775. The median income of renter households will be about \$5,350.

The estimated percentage distributions of families and renter households by annual incomes are indicated in table III. Approximately 27 percent of all families and 47 percent of all renter households have after-tax incomes of less than \$5,000 a year. About seven percent of all families and three percent of renter households have after-tax incomes of \$12,500 and over.



## Demographic Factors

### Population

HMA Total. As of February 1967, the population of the Muskegon HMA is estimated at 161,750, an increase of 11,800, or an annual average of 1,725 (1.1 percent), since April 1960 (see table below). During the 1950-1960 period, the population of the HMA increased by about 2,850 (2.1 percent) annually from 121,550 in 1950 to 149,950 in 1960. The population grew faster in the 1964-1966 period than during the 1960-1964 period when the area suffered some economic adversities. In the 1960-1967 period as a whole, however, the population growth was much slower than in the 1950-1960 decade.

Principal Cities. As of February 1967, the population of Muskegon City totalled 44,175, about 2,325 less than in April 1960. The 1967 estimate represented an average annual loss of 340 (0.8 percent) since 1960. Between 1950 and 1960 the population of the city declined from about 48,425 to nearly 46,500, a loss of more than 195 (0.4 percent) annually.

The population of Muskegon Heights is estimated at 19,600, a negligible increase of about 50 since 1960. In the 1950-1960 decade, the population of Muskegon Heights increased by an average of 70 annually, from 18,825 to 19,550.

Remainder of the HMA. The population of the remainder of the HMA was approximately 97,975 as of February 1967. This total represented an increase of 14,075 (an annual average of about 2,050, 2.3 percent) since 1960. During the decennial period, the population of the remainder of the HMA increased from nearly 54,300 to more than 83,900, an average gain of about 2,975 (4.4 percent) a year.

As indicated in table IV, the suburban areas, including Norton and Muskegon Townships and North Muskegon and Roosevelt Park Cities, have accounted for most of the growth since 1950. The central cities of Muskegon and Muskegon Heights have limited sites for new residential construction.

Population Trends  
Muskegon, Michigan, HMA  
1950 - 1969

<u>Period</u>	<u>Population</u>	<u>Average annual change</u>	
		<u>Number</u>	<u>Percent</u> <sup>a/</sup>
April 1950	121,545	-	-
April 1960	149,943	2,840	2.1
February 1967	161,750	1,725	1.1
February 1969	165,700	1,975	1.2

<sup>a/</sup> Derived through the use of a formula designed to calculate the rate of change on a compound basis.

Sources: 1950 and 1960 Censuses of Population and estimates by Housing Market Analyst.

Estimated Future Population. During the February 1967-February 1969 forecast period, the population of the HMA is expected to increase by about 1,975 annually to a February 1969 total of approximately 165,700. Continued economic prosperity is expected to result in population growth at a slightly higher rate than the average for the 1960-1967 period (although probably below the growth in the last year or two), but substantially below that of the 1950-1960 decade.

Net Natural Increase and Migration. During the 1950-1960 decade, the population of the Muskegon HMA increased by about 28,400. Net natural increase (resident live births minus resident deaths) totalled nearly 28,300, indicating negligible net in-migration during the decade. Since 1960, the population has increased by 11,800. Net natural increase during the period is estimated at 15,750, so that there has been a calculated net out-migration of approximately 3,950 persons, most of whom are believed to have left the area during the 1960-1964 period when jobs were scarce.

Households

HMA Total. The number of households in the Muskegon HMA totalled approximately 45,400 in February 1967, about 2,975 more than in 1960. This total represented an annual average increase of 440 (1.0 percent) during the period. Between 1950 and 1960, the number of households increased from 34,950 to 42,425, a gain of about 750 (1.9 percent) annually. Household growth was at a slower rate in the 1960-1967 period than during the 1950-1960 decade; however, the increase in the number of households during

the decennial period reflects, in part, the change in census definition from "dwelling unit" in the 1950 Census to "housing unit" in the 1960 Census. The trend of household growth in the HMA is indicated below; the trends of growth in the major cities and other areas are presented in table V.

Principal Cities. As of February 1967, there were approximately 14,100 households in Muskegon City, approximately 650 less than in 1960. This total represented an average loss of about 95 a year during the 1960-1967 period. During the 1950-1960 decade the number of households in Muskegon, influenced by definitional changes had a negligible decline from 14,800 to about 14,750.

In February 1967, there were about 5,550 households in Muskegon Heights, slightly more than in 1960. Between April 1950 and April 1960 the number of households in Muskegon Heights increased by about 30 a year from 5,200 to 5,525.

Remainder of the HMA. The number of households in the remainder of the HMA totalled about 25,750 in February 1967. This represented an increase of nearly 3,600, or 530 (2.2 percent) annually, since April 1960. During the 1950-1960 period the number of households in the remainder of the HMA increased by about 720 annually (3.9 percent) from 14,950 in 1950 to 22,150 in 1960. For reasons mentioned in the population section, Norton and Muskegon Townships, Roosevelt City and other areas adjacent to the principal cities accounted for most of the increase in households since 1950.

Household Trends  
Muskegon, Michigan, HMA  
1950 - 1969

<u>Period</u>	<u>Households</u>	<u>Average annual change</u>	
		<u>Number</u>	<u>Percent</u> <sup>a/</sup>
April 1950	34,963	-	-
April 1960	42,426	746	1.9
February 1967	45,400	440	1.0
February 1969	46,500	550	1.2

<sup>a/</sup> Derived through the use of a formula designed to calculate the rate of change on a compound basis.

Sources: 1950 and 1960 Censuses of Housing and estimates by Housing Market Analyst.

Future Households. Based on the anticipated increase in population and the average number of persons per household, it is estimated that during the February 1967-February 1969 forecast period the number of households in the HMA will increase by 1,100 (550 annually) and will total approximately 46,500 by the end of the period. The anticipated increase in household growth is slightly higher than the rate of growth during the 1960-1967 period but below the level of the 1950-1960 period.

Household Size. As of February 1967, there are estimated to be an average of 3.53 persons per household in the Muskegon area. During the 1950-1960 decade, the number of persons per household increased from 3.42 to 3.50. Household size is lowest in the city of Muskegon where there are an estimated 3.08 persons per household, down from 3.19 in 1950 and 3.10 in 1960. The number of persons per household is about 3.50 in Muskegon Heights and 3.79 in the remainder of the HMA. Between 1950 and 1960 the number of persons per household in Muskegon Heights declined from 3.55 to 3.51, while the number of persons per household in the remainder of the HMA increased from 3.60 to 3.77. No significant change in the number of persons per household is anticipated during the forecast period.

## Housing Market Factors

### Housing Supply

Current Estimate. There were approximately 49,250 housing units in the HMA in February 1967, an increase of 2,800 since April 1960. This total represented an average gain of 410 (0.9 percent) during the period. The housing inventory in Muskegon City is estimated at 14,750 units, a loss of about 125 annually since 1960. There were approximately 5,750 housing units in Muskegon Heights and about 28,750 in the remainder of the HMA. The inventory in Muskegon Heights represented a very small gain since 1960 but that in the remainder of the HMA represented an increase of 3,625 units (530 annually).

Past Trend. During the April 1950-April 1960 decade, the number of housing units in the HMA increased by approximately 800 (1.9 percent) annually. The housing inventory in Muskegon City declined slightly from about 15,625 to 15,600 housing units. In Muskegon Heights, the number of housing units increased from 5,350 to 5,725, a gain of about 35 annually. During the decade, the number of housing units in the remainder of the HMA increased from 17,450 to 25,125, a substantial gain of about 770 annually.

The total number of housing units in the HMA increased at a slower rate in the 1960-1967 period than in the 1950-1960 decade. The increase during the decennial period, however, was influenced by the definitional change from "dwelling units" in the 1950 Census to "housing units" in the 1960 Census. Because of the substantial number of units demolished (which was only partly offset by new construction) in the city of Muskegon, the decline in the housing inventory during the 1960-1967 period was considerably greater than that which occurred during the 1950-1960 decade. Almost all the increase in the number of housing units since 1950 occurred in the remainder of the HMA, primarily in the suburban areas surrounding the principal cities.

Type of Structure. As indicated in the following table, there have been minor changes in the structural composition of the housing inventory during the 1960-1967 period. As of February 1967, it is estimated that single-family houses comprised nearly 89 percent of the total housing inventory, a slight proportionate increase since 1960. Both the number and proportion of units in two-unit structures and the number of units in structures with three or more units declined slightly during the 1960-1967 period.

Housing Inventory by Type of Structure  
Muskegon, Michigan, HMA  
1960 - 1967

<u>Units in</u> <u>structure</u>	<u>April</u> <u>1960</u>	<u>February</u> <u>1967</u>	<u>Percent of total</u>	
			<u>1960</u>	<u>1967</u>
One unit <sup>a/</sup>	40,731	43,675	87.7	88.7
Two units	2,698	2,625	5.8	5.3
Three or more units	<u>3,001</u>	<u>2,950</u>	<u>6.5</u>	<u>6.0</u>
Total units	46,430 <sup>b/</sup>	49,250	100.0	100.0

<sup>a/</sup> Includes trailers.

<sup>b/</sup> Differs slightly from the count of all units because units in structures were enumerated on a sample basis in 1960.

Sources: 1960 Census of Housing.  
1967 estimated by Housing Market Analyst.

It is estimated that Muskegon City, which accounts for only about 30 percent of the total housing inventory in the HMA, has approximately 63 percent of all the multifamily units.

Age of Structure. Only about 38 percent of the housing inventory in the HMA was built before 1930. About 30 percent of the units were built between 1930 and 1950. The relatively small proportion (nine percent) of the units built since April 1960 compared with the 23 percent built in the 1950-March 1960 period reflects the reduction in the rate of population growth in the 1960-1967 period.

Year Structure Built<sup>a/</sup>  
Muskegon, Michigan, HMA

<u>Period</u>	<u>Percent distribution</u>
April 1960 to January 1967	9.0
1955 to March 1960	11.8
1950 to 1954	10.9
1940 to 1949	18.7
1930 to 1939	11.7
1929 or earlier	<u>37.9</u>
Total	100.0

<sup>a/</sup> The basic data in the 1960 Census of Housing from which the above estimates were developed reflect an unknown degree of error in "year built" occasioned by the accuracy of response to enumerators' questions as well as errors caused by sampling.

Sources: 1960 Census of Housing and estimates by  
Housing Market Analyst.

Condition of the Inventory. It is estimated that in February 1967 approximately nine percent of the housing units in the HMA were dilapidated or did not have all plumbing facilities, compared with 13 percent in 1960. The improvement in the condition of the housing inventory resulted from the demolition of several hundred substandard units, the rehabilitation and upgrading of many deteriorated structures, and the addition of new units to the housing stock since 1960.

Value and Rent. As of February 1967, the median value of owner-occupied housing units in the HMA is approximately \$11,000. The Census of Housing reported that in April 1960 the median value of such units was \$9,900. The increase in the median value of owner-occupied housing units resulted from the addition of several thousand new single-family units which were priced over \$10,000 to the owner-occupied inventory, from the demolition of a substantial number of lower-value homes and the upgrading of others, as well as from a slight appreciation in the value of real estate during the 1960-1967 period.

The 1960 Census of Housing reported that the median gross rents, including utilities, of renter-occupied housing units was \$66. The new units built since 1960 are rented for \$120 or more, typically, and mainly low-rent units were removed from the rental inventory through demolitions. Consequently, it is judged that the median gross rent has increased to about \$75 currently.

#### Residential Building Activity

From the records of building permits issued in areas where over 97 percent of the 1960 population lived, it is estimated that the number of private housing units built since January 1960 and those under construction as of the survey date total 4,425 (an annual average of 630 units). From approximately 650 in 1960, the number of housing units authorized increased slightly to more than 690 in 1961, then declined to about 540 in 1962, reflecting uncertainties in the real estate market following the 1960-1961 recession and the loss of a major employer. From the low level in 1962, the number of housing units authorized increased gradually to a peak of nearly 710 in 1965. The 600 units authorized in 1966 represented a substantial decline from the 1965 total and reflected the tight mortgage market which developed during the second half of 1966.

The distribution of the new housing units built in various areas of the HMA since 1960 is indicated in table VI. It will be noted that about 980 units were authorized in Norton Township, the highest total for any community. Muskegon Township and Muskegon City (with approximately 490 and 450 units, respectively) ranked second and third in total authorizations. In addition, Fruitport Township, Laketon Township, Roosevelt Park, North Muskegon and Egelston Township (areas close to the principal cities, each with between 200 and 400 units authorized) were areas with substantial residential construction during the 1960-1966 period. The lack of adequate water and sewage facilities has hindered residential development in many of the outlying townships. For the most part, units authorized outside the principal cities represented net additions to the housing supply. The units built in Muskegon City and Muskegon Heights, however, represented replacement housing. The following table indicates the number of housing units authorized by type of structure during the 1960-1966 period in the entire HMA.

Private Housing Units Authorized  
Muskegon, Michigan, HMA  
1960 - 1966

<u>Year</u>	<u>One- family</u>	<u>Two- to four-family</u>	<u>Five- or more-family</u>	<u>Total units<sup>a/</sup></u>
1960	655	0	0	655
1961	648	4	42	694
1962	529	4	11	544
1963	496	4	101	601
1964	596	8	20	624
1965	651	4	52	707
1966	524	0	76	600

<sup>a/</sup> Does not include 200 public housing units authorized for Muskegon Heights in 1963. Totals for 1960 and 1966 partly estimated by Housing Market Analyst.

Sources: Bureau of the Census, C-40 Construction Reports; local permit-issuing offices; and estimates by Housing Market Analyst.

Nearly 4,100 single-family housing units were authorized during the 1960-1966 period, equal to 93 percent of all the units authorized. Approximately 325 multifamily units were authorized and these were distributed in 12 different communities. North Muskegon, with approximately 115 units, and Muskegon City, with about 90 units, were the principal areas in which multifamily housing units were built. In addition to the private housing units authorized by building permits, 200 public housing units were authorized for Muskegon Heights in 1963.



Units Under Construction. From the records of building permits and the results of a postal vacancy survey conducted in the HMA in February 1967, it is estimated that there were approximately 200 housing units under construction in the HMA as of February 1, 1967. The units under construction included approximately 170 single-family houses and about 30 multifamily housing units. Most of the housing units were being built in the suburban areas, including Norton and Muskegon Townships and North Muskegon. Several of the new units that were under construction in the city of Muskegon were located in the Marquette Urban Renewal Area.

Demolitions. Approximately 1,635 housing units have been demolished in the HMA since 1960, primarily as a result of code enforcement and urban renewal activity. In Muskegon City, which accounted for approximately 1,275 of the units demolished, nearly 600 condemned units were demolished, about 350 units were removed from the housing inventory because of the urban renewal program, and the remaining 325 units were demolished because of other reasons. During the February 1967-February 1969 forecast period it is anticipated that approximately 500 housing units will be demolished in the HMA because of code enforcement, urban renewal, and other causes.

#### Tenure of Occupancy

In February 1967, there were approximately 45,400 occupied housing units in the HMA. Of the total number of occupied units, about 36,500 (80 percent) were owner-occupied and 8,900 (20 percent) were occupied by renters. The proportion of owner-occupied units in the HMA has increased slightly since 1960. During the 1950-1960 decade owner-occupancy increased from 72 percent to 79 percent of the occupied inventory. In Muskegon City, approximately 69 percent of all housing units were owner-occupied in February 1967 compared with 67 percent in 1960 and 65 percent in 1950. As of February 1967, 72 percent of all occupied units in Muskegon Heights and 89 percent of those in the remainder of the HMA were owner-occupied. Owner-occupancy has increased in Muskegon Heights and in the remainder of the HMA since 1950 when owner-occupancy constituted 69 percent and 81 percent, respectively, of all occupied units in these areas.

#### Vacancy

Last Census. The Census of Housing enumerated more than 1,350 vacant, nonseasonal, nondilapidated housing units in the Muskegon HMA which were available for sale or rent in April 1960, or a net vacancy ratio of 3.1 percent. Approximately 530 of the vacant units were available for sale and about 820 were available for rent, sales and rental vacancy ratios of 1.6 and 8.5 percent, respectively (see table VII). About 460 of the units available for sale and 600 of those available for rent were equipped with all plumbing facilities.

Postal Vacancy Survey. A postal vacancy survey which covered 83 percent of the estimated 49,250 housing units in the HMA was conducted during the period February 7-13, 1967. Of the 40,767 housing units surveyed, 889 (2.2 percent) were vacant. The units surveyed included 38,077 residences and 2,690 apartments. Of these, 638 residences and 251 apartments were reported vacant, vacancy ratios of 1.7 percent and 9.3 percent, respectively. The results of the postal vacancy survey are summarized in the following table and presented in detail in table VIII.

Summary of Results  
Postal Vacancy Survey  
Muskegon, Michigan, February 1967

<u>Category</u>	<u>Units surveyed</u>	<u>Units vacant</u>	<u>Percent vacant</u>
Residences	38,077	638	1.7
Apartments	<u>2,690</u>	<u>251</u>	<u>9.3</u>
Total	40,767	889	2.2

Source: FHA Postal Vacancy Survey conducted by collaborating postmasters.

It is important to note that the postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definitions, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family houses, but include row houses and some duplexes and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Postal surveys omit vacancies in limited areas served by post office boxes and tend to omit units under construction in subdivisions. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. On the basis of the postal vacancy survey, adjusted for incomplete coverage and to reflect census concepts, it is estimated that as of February 1967 there were 1,150 available, vacant, nonseasonal, nondilapidated housing units in the HMA, equal to a net vacancy ratio of 2.5 percent. Of these, 500 units were available for sale and 650 were available for rent, representing sales and rental vacancy ratios of 1.4 percent and 6.8 percent, respectively. An estimated 475 of the units available for sale and 560 of those available for rent have all plumbing facilities.

Vacant Housing Units  
Muskegon, Michigan, HMA  
1960 - 1967

<u>Category</u>	<u>April</u> <u>1960</u>	<u>February</u> <u>1967</u>
Total vacant	4,021	3,850
Available vacant	1,358	1,150
For sale	532	500
Homeowner vacancy ratio	1.6%	1.4%
For rent	826	650
Rental vacancy ratio	8.5%	6.8%
Other vacant	2,663	2,700

Sources: 1960 Census of Housing.  
1967 estimated by Housing Market Analyst.

Sales Market

General Market Conditions. As of February 1967, the sales market for new single-family housing was in balance, as indicated by the small number of new vacant residences reported by the postal vacancy survey and limited data from the FHA unsold inventory survey of new homes, as well as the opinions of local realtors. Inasmuch as it is customary to build new single-family housing on contract, the supply of new units has fluctuated with the demand without any significant accumulation of new unsold housing units during the 1960-1967 period. The decline in the number of new single-family housing units authorized in 1966 resulted primarily from the tightness of the mortgage market.

There are a substantial number of existing houses on the sales market. However, many of these are old and have deteriorated through neglect or age, or are located in blighted neighborhoods. Consequently, they are not competitive with new homes that are being built in suburban areas.

Subdivision Activity. There are no major subdivisions in the HMA, but there are several areas in which new construction tends to take place on scattered lots. The areas in which new housing has been concentrated in recent years are located chiefly in Norton Township (within a mile or two of Mona Lake), in and near Roosevelt Park, and in Laketon and Muskegon Townships north and northeast of Bear and Muskegon Lakes. Local builders and realtors report that most of the new units have been built on contract.

Unsold Inventory Survey. A survey of new houses built in subdivisions with five or more completions in 1966 was conducted by the Grand Rapids Insuring Office as of January 1, 1967. The survey, like those of previous years, included only a small proportion of all single-family units completed during the year. The January 1, 1967 survey covered 109 houses in nine subdivisions. Of these, 78 houses were pre-sold and 31 were built speculatively. All the speculatively built units had been sold at the time of the survey. Data for earlier years are included in the summary which follows.

Summary of Unsold Inventory Surveys  
Muskegon, Michigan, HMA  
1963 - 1966

<u>Year</u> <u>completed</u>	<u>Total</u> <u>completions</u>	<u>Pre-sold</u>	<u>Speculative</u>	<u>Unsold</u>
1963	47	39	8	4
1964	99	63	36	3
1965	110	53	57	2
1966	109	78	31	0

Source: Federal Housing Administration.

Home Prices. Local realtors indicate that the price of new homes built in the HMA within the last three or four years ranged widely from as low as \$10,000 to over \$50,000. The most typical price, as suggested by local sources, was between \$18,000 and \$20,000. This figure is slightly higher than the typical price of units covered by the unsold inventory surveys which showed a typical price range of \$15,000 to \$17,500, indicating that the unsold inventory survey tends to exclude the more expensive houses which are not built in subdivisions.

Rental Market

General Market Conditions. Despite the availability of several hundred vacant rental units as of February 1967, the market for new multifamily housing units is firm. Only a small number of multifamily units have been built during the 1960-1966 period. Local realtors and project managers reported that these new units were absorbed satisfactorily.

The 19 new apartment units reported by the postal vacancy survey were mainly in structures completed less than one month before the survey and do not reflect an over-supply of new units. A survey of major apartment buildings was conducted for the city of Muskegon by a consulting firm in December 1965. The study covered 222 units in six projects, most of which were built after 1962. Only six vacancies were reported at that time. The managers of two projects with a total of 114 units reported that there were no vacancies at the time of the survey.

A large number of single-family units are included in the rental inventory and, as might be expected, this is reflected in the number of vacant single-family units available for rent. Many of these single-family units as well as many units in old multifamily structures are poorly located and do not have some of the modern facilities typical of new units. Consequently, they cannot compete successfully with newer rental units and usually remain vacant for longer periods.

Most of the new rental housing built within the last four or five years consisted of one- and two-bedroom units. Typically, rents for one-bedroom units range from \$100 to \$150; for two-bedroom units rents usually range from \$120 to \$160. These rents reflect the cost of utilities in most cases.

Rental Housing Under Construction. From the record of building permits, the postal vacancy survey, and information from local sources, it is estimated that there are approximately 30 multifamily housing units under construction as of February 1967. These should be completed within two or three months following the survey date. Rents, excluding utilities, in most of these will be about \$130 for one-bedroom units and about \$150 for two-bedroom units.

In addition to the housing units under construction, there are tentative plans to build approximately 120 conventionally-financed housing units in the HMA within the next 12 to 18 months. Most of these will be extensions of projects now in existence and will have rents comparable to those now charged in these projects. One new project with approximately 30 units, however, is planned for the Fruitport area.

### Mortgage Market

Principal Sources of Funds. Local sources indicated in February 1967 that the supply of mortgage funds for residential construction was sufficient to meet the demand. This condition represented an improvement in the mortgage market when compared with the scarcity of funds which existed during the latter half of 1966. The local savings and loan institutions are the principal suppliers of mortgage loans, with some participation in the mortgage market by banks and other investment companies. As of February 1967, the typical rate of interest on conventional loans ranged from six and one-half to seven percent, the usual down payment was about 25 percent and the repayment period about 20 years.

### Urban Renewal

There are six urban renewal projects in the Muskegon HMA. Two projects are in execution and four are in the preliminary planning stages.

The Marquette Urban Renewal Project (R-5) in Muskegon is in execution. There are approximately 400 acres within the limits of the project. The project area includes most of the land bounded roughly by U.S. 31 on the east, Getty Street on the west, and Four Mile and Ryerson Creeks on the north and south, respectively. Approximately 320 families were relocated from the project area. The re-use of the land will be primarily residential.

The East Manahan Project (R-61) in Muskegon Heights is in the execution stage. Approximately 35 acres will be redeveloped in the area bounded roughly by Broadway on the south, McIlwraith and Wood Streets on the west, Sherman and Manahan Streets on the north, and Jarman Street and Little Black Creek on the east. About 85 families were relocated from the area which is scheduled for industrial re-use.

The four projects which are in the planning stages are: (1) the Downtown Renewal Project in Muskegon City, a twenty-acre project in the central business district; (2) the West Heights Renewal Project involving 22 acres, mainly residential, in the vicinity of Hume and Temple Streets, Muskegon Heights; (3) the Downtown Renewal Project in Muskegon Heights, a 40-acre project in the central business district; and (4) the Norge Redevelopment Project, a 30-acre project northwest of the business district in Muskegon Heights. Approximately 110 families will be relocated from these areas. The scheduled re-use of most of the land in these areas is for commercial and industrial purposes. In addition to the projects mentioned above, a code enforcement project is in execution in the East Park area in the northeast section of Muskegon Heights. Spot clearance and rehabilitation of substandard residences as well as the improvement of sewers and rights-of-way in the 160-acre project are the major objectives of this program.

Public Housing

Currently, there are 200 units of public housing in the HMA. All are located in Muskegon Heights. There are tentative plans to construct approximately 200 public housing units in the city of Muskegon. Design and location are still being discussed.

Demand for Housing

Quantitative Demand. The number of households in the HMA is expected to increase by approximately 550 annually during the February 1967-February 1969 forecast period. The prospective demand for new housing which will result from the net addition of new households has been adjusted for anticipated losses in the housing inventory through demolitions, conversions, and other causes. Consideration has been given to the number of available vacant units and housing units under construction as of February 1967 as well as the anticipated shift in tenure. Based on these factors, the annual demand for new housing is estimated at 640 units, including 580 single-family houses and 60 multifamily housing units. An additional 40 units of multifamily housing could be absorbed annually at the lower rents associated with public benefits or assistance in financing or land acquisition, exclusive of public low-rent or rent-supplement accommodations.

Qualitative Demand

Single-Family Housing. The distribution of the estimated annual demand for 580 single-family housing units is presented in the table below. The distribution is based on current family incomes, ratios of sales price to income typical in the area, and recent market experience.

Estimated Annual Demand for New Single-Family Housing  
By Price Class, Muskegon, Michigan, HMA  
February 1967-February 1969

<u>Price class</u>	<u>Number of houses</u>	<u>Percent distribution</u>
\$10,000 - \$12,499	45	8
12,500 - 14,999	80	14
15,000 - 17,499	100	17
17,500 - 19,999	120	21
20,000 - 22,499	90	15
22,500 - 24,999	55	9
25,000 - 29,999	50	9
30,000 and over	40	7
Total	580	100



Multifamily housing. The annual demand for multifamily housing is estimated at 60 units, to be supplied mainly in one- and two-bedroom apartments at rents close to the minimum achievable with current construction and financing costs. An additional 40 units of multifamily housing can be absorbed annually at the lower rents achievable with public benefits or assistance in financing or land acquisition, exclusive of public low-rent or rent-supplement accommodations.

The demand for multifamily housing units is based on the projected renter-family income, the size distribution of renter households, and rent-paying propensities found to be typical in the area; consideration is also given to the recent absorption of new rental housing. Special attention should be given to the location of new rental projects, particularly those in the lower rent ranges.

Table I

Trend of Civilian Work Force Components  
Muskegon, Michigan, HMA  
Annual Averages 1960-1966  
(in thousands)

<u>Components</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>January 1966</u>	<u>January<sup>a/</sup> 1967</u>
Civilian work force	<u>57.2</u>	<u>55.5</u>	<u>56.1</u>	<u>55.5</u>	<u>54.8</u>	<u>56.0</u>	<u>58.3</u>	<u>56.6</u>	<u>59.7</u>
Unemployment	4.3	4.9	3.5	3.1	3.3	2.5	2.2	2.0	2.3
Percent of work force	7.5%	8.7%	6.2%	5.6%	6.0%	4.5%	3.8%	3.5%	3.9%
Agricultural employment	.9	.8	.8	.8	.7	.7	.6	.5	.5
Total nonag. employment	<u>52.0</u>	<u>50.8</u>	<u>51.5</u>	<u>51.6</u>	<u>50.8</u>	<u>52.8</u>	<u>55.5</u>	<u>54.1</u>	<u>56.9</u>
Wage and salary employment	<u>46.0</u>	<u>44.8</u>	<u>45.6</u>	<u>45.9</u>	<u>45.3</u>	<u>47.4</u>	<u>50.1</u>	<u>48.6</u>	<u>51.6</u>
Other <sup>b/</sup>	6.0	6.0	5.9	5.7	5.5	5.4	5.4	5.5	5.3
Labor management disputes	-	-	.3	-	-	-	-	-	-

<sup>a/</sup> Preliminary.

<sup>b/</sup> Includes self-employed, unpaid-family, and domestic workers.

Note: Subtotals may not add to totals because of rounding.

Source: Michigan Employment Security Commission.

Table II

Nonagricultural Wage and Salary Employment, by Industry  
Muskegon, Michigan, HMA  
Annual Averages 1960-1966  
(in thousands)

<u>Industry</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>January</u> <u>1966</u>	<u>January</u> <u>a/</u> <u>1967</u>
Wage and salary employment	<u>46.0</u>	<u>44.8</u>	<u>45.6</u>	<u>45.9</u>	<u>45.3</u>	<u>47.4</u>	<u>50.1</u>	<u>48.6</u>	<u>51.6</u>
Manufacturing	<u>25.3</u>	<u>24.0</u>	<u>25.1</u>	<u>25.4</u>	<u>24.4</u>	<u>25.9</u>	<u>28.1</u>	<u>27.2</u>	<u>29.0</u>
Durable goods	<u>22.1</u>	<u>20.8</u>	<u>21.6</u>	<u>21.9</u>	<u>21.1</u>	<u>22.7</u>	<u>24.8</u>	<u>24.0</u>	<u>25.7</u>
Primary & fabricated metals	<u>5.9</u>	<u>5.7</u>	<u>6.5</u>	<u>7.0</u>	<u>7.2</u>	<u>7.9</u>	<u>8.7</u>	<u>8.3</u>	<u>9.3</u>
Nonelectrical machinery	<u>6.1</u>	<u>5.7</u>	<u>6.4</u>	<u>6.7</u>	<u>6.3</u>	<u>6.6</u>	<u>7.5</u>	<u>7.2</u>	<u>7.8</u>
Transportation equipment	<u>4.0</u>	<u>3.8</u>	<u>4.7</u>	<u>4.7</u>	<u>4.1</u>	<u>4.7</u>	<u>4.9</u>	<u>4.9</u>	<u>4.9</u>
Other durable goods	<u>6.1</u>	<u>5.5</u>	<u>4.0</u>	<u>3.5</u>	<u>3.5</u>	<u>3.6</u>	<u>3.7</u>	<u>3.6</u>	<u>3.7</u>
Nondurable goods	<u>3.2</u>	<u>3.3</u>	<u>3.5</u>	<u>3.5</u>	<u>3.4</u>	<u>3.3</u>	<u>3.3</u>	<u>3.2</u>	<u>3.3</u>
Food and kindred products	<u>.6</u>	<u>.7</u>	<u>.6</u>	<u>.5</u>	<u>.5</u>	<u>.5</u>	<u>.5</u>	<u>.5</u>	<u>.5</u>
Chem, petro., & rel. prod.	<u>1.1</u>	<u>1.2</u>	<u>1.3</u>	<u>1.3</u>	<u>1.2</u>	<u>1.1</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Other nondurables	<u>1.4</u>	<u>1.4</u>	<u>1.6</u>	<u>1.6</u>	<u>1.7</u>	<u>1.8</u>	<u>1.8</u>	<u>1.7</u>	<u>1.8</u>
Nonmanufacturing	<u>20.7</u>	<u>20.7</u>	<u>20.6</u>	<u>20.6</u>	<u>20.8</u>	<u>21.4</u>	<u>22.0</u>	<u>21.4</u>	<u>22.5</u>
Construction	<u>1.4</u>	<u>1.3</u>	<u>1.2</u>	<u>1.2</u>	<u>1.3</u>	<u>1.5</u>	<u>1.7</u>	<u>1.4</u>	<u>1.5</u>
Trans., comm., & pub. util.	<u>2.4</u>	<u>2.4</u>	<u>2.4</u>	<u>2.3</u>	<u>2.3</u>	<u>2.4</u>	<u>2.3</u>	<u>2.3</u>	<u>2.4</u>
Trade	<u>7.2</u>	<u>7.2</u>	<u>7.2</u>	<u>7.0</u>	<u>7.0</u>	<u>7.3</u>	<u>7.5</u>	<u>7.0</u>	<u>7.8</u>
Fin., ins., & real estate	<u>1.0</u>	<u>1.0</u>	<u>1.1</u>	<u>1.1</u>	<u>1.2</u>	<u>1.3</u>	<u>1.2</u>	<u>1.3</u>	<u>1.2</u>
Services and misc.	<u>4.4</u>	<u>4.4</u>	<u>4.4</u>	<u>4.5</u>	<u>4.6</u>	<u>4.5</u>	<u>4.7</u>	<u>4.7</u>	<u>4.9</u>
Government	<u>4.4</u>	<u>4.4</u>	<u>4.4</u>	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>4.6</u>	<u>4.6</u>	<u>4.7</u>

a/ Preliminary.

Note: Subtotals may not add to totals because of rounding.

Source: Estimated by Housing Market Analyst.

Table III

Estimated Percentage Distribution of Families by Annual Income  
After Deduction of Federal Income Tax  
Muskegon, Michigan, HMA, 1967 and 1969

<u>Family income</u>	<u>1967</u>		<u>1969</u>	
	<u>All families</u>	<u>Renter households<sup>a/</sup></u>	<u>All families</u>	<u>Renter households<sup>a/</sup></u>
Under \$ 2,000	7	13	7	12
\$ 2,000 - 2,999	4	9	3	9
3,000 - 3,999	7	12	7	12
4,000 - 4,999	9	13	8	12
5,000 - 5,999	14	16	14	15
6,000 - 6,999	16	13	14	14
7,000 - 7,999	12	9	13	9
8,000 - 8,999	9	5	10	6
9,000 - 9,999	6	4	7	3
10,000 - 12,499	9	3	9	4
12,500 and over	7	3	8	4
Total	100	100	100	100
Median income	\$6,575	\$5,175	\$6,775	\$5,350

<sup>a/</sup> Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table IV

Population Trends  
Muskegon, Michigan, Housing Market Area  
1950 - 1967

<u>Area</u>	<u>April</u> <u>1950</u>	<u>April</u> <u>1960</u>	<u>February</u> <u>1967</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1967<sup>a/</sup></u>	
				<u>Number</u>	<u>Percent<sup>b/</sup></u>	<u>Number</u>	<u>Percent<sup>b/</sup></u>
HMA total	<u>121,545</u>	<u>149,943</u>	<u>161,750</u>	<u>2,840</u>	<u>2.1</u>	<u>1,725</u>	<u>1.1</u>
Principal cities	<u>67,257</u>	<u>66,037</u>	<u>63,775</u>	<u>-122</u>	<u>-.2</u>	<u>-330</u>	<u>-.5</u>
Muskegon	<u>48,429</u>	<u>46,485</u>	<u>44,175</u>	<u>-194</u>	<u>-.4</u>	<u>-340</u>	<u>-.8</u>
Muskegon Heights	<u>18,828</u>	<u>19,552</u>	<u>19,600</u>	<u>72</u>	<u>.4</u>	<u>10</u>	<u>-</u>
Remainder of the HMA	<u>54,288</u>	<u>83,906</u>	<u>97,975</u>	<u>2,962</u>	<u>4.4</u>	<u>2,050</u>	<u>2.3</u>
Montague City	<u>1,530</u>	<u>2,366</u>	<u>2,650</u>	<u>84</u>	<u>4.4</u>	<u>40</u>	<u>1.7</u>
North Muskegon City	<u>2,424</u>	<u>3,855</u>	<u>4,450</u>	<u>143</u>	<u>4.6</u>	<u>85</u>	<u>2.1</u>
Roosevelt Park City	<u>1,254</u>	<u>2,578</u>	<u>3,575</u>	<u>132</u>	<u>7.2</u>	<u>145</u>	<u>4.9</u>
Whitehall City	<u>1,819</u>	<u>2,590</u>	<u>2,875</u>	<u>77</u>	<u>3.5</u>	<u>40</u>	<u>1.6</u>
Muskegon Township	<u>12,757</u>	<u>17,537</u>	<u>19,275</u>	<u>478</u>	<u>3.1</u>	<u>250</u>	<u>1.4</u>
Norton Township	<u>10,921</u>	<u>17,816</u>	<u>21,350</u>	<u>690</u>	<u>4.9</u>	<u>520</u>	<u>2.7</u>
Other twps. and villages	<u>23,583</u>	<u>37,164</u>	<u>43,800</u>	<u>1,358</u>	<u>4.6</u>	<u>970</u>	<u>2.4</u>

<sup>a/</sup> Rounded.

<sup>b/</sup> Derived through the use of a formula designed to calculate the rate of change on a compound basis.

Note: Subtotals may not add to totals because of rounding.

Sources: 1950 and 1960 Censuses of Population; 1967 estimated by Housing Market Analyst.

Table V  
Household Trends  
Muskegon, Michigan, Housing Market Area  
1950 - 1967

<u>Area</u>	<u>April 1950</u>	<u>April 1960</u>	<u>February 1967</u>	<u>Average annual change</u>			
				<u>1950-1960</u>		<u>1960-1967<sup>a/</sup></u>	
				<u>Number</u>	<u>Percent<sup>b/</sup></u>	<u>Number</u>	<u>Percent<sup>b/</sup></u>
HMA total	<u>34,963</u>	<u>42,426</u>	<u>45,400</u>	<u>746</u>	<u>1.9</u>	<u>440</u>	<u>1.0</u>
Principal cities	<u>20,002</u>	<u>20,260</u>	<u>19,650</u>	<u>26</u>	<u>.1</u>	<u>-90</u>	<u>-.5</u>
Muskegon	<u>14,798</u>	<u>14,739</u>	<u>14,100</u>	<u>-6</u>	<u>-</u>	<u>-95</u>	<u>-.7</u>
Muskegon Heights	<u>5,204</u>	<u>5,521</u>	<u>5,550</u>	<u>32</u>	<u>.6</u>	<u>5</u>	<u>.1</u>
Remainder of the HMA	<u>14,961</u>	<u>22,166</u>	<u>25,750</u>	<u>720</u>	<u>3.9</u>	<u>530</u>	<u>2.2</u>
Montague City	<u>444</u>	<u>666</u>	<u>740</u>	<u>22</u>	<u>4.1</u>	<u>10</u>	<u>1.6</u>
North Muskegon City	<u>755</u>	<u>1,129</u>	<u>1,300</u>	<u>37</u>	<u>4.1</u>	<u>25</u>	<u>2.1</u>
Roosevelt Park City	<u>340</u>	<u>689</u>	<u>950</u>	<u>35</u>	<u>7.1</u>	<u>40</u>	<u>4.8</u>
Whitehall City	<u>590</u>	<u>775</u>	<u>860</u>	<u>18</u>	<u>2.7</u>	<u>10</u>	<u>1.6</u>
Muskegon Township	<u>3,451</u>	<u>4,618</u>	<u>5,050</u>	<u>117</u>	<u>2.9</u>	<u>65</u>	<u>1.3</u>
Norton Township	<u>3,023</u>	<u>4,784</u>	<u>5,675</u>	<u>176</u>	<u>4.6</u>	<u>130</u>	<u>2.5</u>
Other twps. and villages	<u>6,358</u>	<u>9,505</u>	<u>11,175</u>	<u>315</u>	<u>4.0</u>	<u>250</u>	<u>2.4</u>

<sup>a/</sup> Rounded.

<sup>b/</sup> Derived through the use of a formula designed to calculate the rate of change on a compound basis.

Sources: 1950 and 1960 Censuses of Housing; estimates by Housing Market Analyst.

Table VI

Private Housing Units Authorized by Building Permits<sup>a/</sup>  
Muskegon, Michigan, Housing Market Area  
1960 - 1966

<u>Area</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>Total</u> <u>1960-1966</u>
HMA total	<u>655</u>	<u>694</u>	<u>544</u>	<u>601</u>	<u>624</u>	<u>707</u>	<u>600</u>	<u>4,425</u>
Muskegon City	70	99	56	52	41	60	70	448
Muskegon Heights City	15	11	5	13	12	5	4	65
North Muskegon City	27	21	8	41	11	56	50	214
Roosevelt Park City	42	36	34	32	51	43	40	278
Dalton Township	12	15	17	14	21	27	22	128
Egelston Township	27	28	20	40	35	35	21	206
Fruitland Township	15	20	18	18	20	25	25	141
Fruitport Township	72	63	51	50	58	64	39	397
Laketon Township	59	60	31	33	35	50	33	301
Muskegon Township	92	94	63	74	51	69	44	487
Norton Township <sup>b/</sup>	130	162	129	105	153	171	134	984
Other areas <sup>c/</sup>	94	85	112	129	136	102	118	776

<sup>a/</sup> Does not include 200 public housing units authorized in Muskegon Heights City in 1963.

<sup>b/</sup> 1960 total for Norton Township estimated by Housing Market Analyst.

<sup>c/</sup> Includes 15 permit-issuing places which, typically, had less than 20 permits a year each and for some of which the 1966 totals were estimated by the Housing Market Analyst.

Sources: Bureau of the Census, C-40 Construction Reports; local permit-issuing offices; and estimates by Housing Market Analyst.

Table VII

Housing Inventory, Tenure, and Vacancy  
Muskegon, Michigan, Housing Market Area  
1950 - 1967

<u>Occupancy and tenure</u>	<u>April 1950</u>	<u>April 1960</u>	<u>February 1967</u>	<u>Average annual change</u>			
				<u>1950-1960</u>	<u>Percent<sup>b/</sup></u>	<u>1960-1967<sup>a/</sup></u>	<u>Percent<sup>b/</sup></u>
	<u>Number</u>					<u>Number</u>	
Total housing inventory	<u>38,420</u>	<u>46,447</u>	<u>49,250</u>	<u>802</u>	<u>1.9</u>	<u>410</u>	<u>.9</u>
Total occupied units	<u>34,963</u>	<u>42,426</u>	<u>45,400</u>	<u>746</u>	<u>1.9</u>	<u>440</u>	<u>1.0</u>
Owner-occupied	<u>25,124</u>	<u>33,551</u>	<u>36,500</u>	<u>842</u>	<u>2.9</u>	<u>430</u>	<u>1.2</u>
Percent of all occupied	71.9%	79.1%	80.4%	-	-	-	-
Renter-occupied	<u>9,839</u>	<u>8,875</u>	<u>8,900</u>	<u>-96</u>	<u>-1.0</u>	<u>5</u>	<u>.03</u>
Percent of all occupied	28.1%	20.9%	19.6%	-	-	-	-
Vacant housing units	<u>3,457</u>	<u>4,021</u>	<u>3,850</u>	<u>56</u>	<u>1.5</u>	<u>-25</u>	<u>-.6</u>
Available vacant units	<u>914</u>	<u>1,358</u>	<u>1,150</u>	<u>44</u>	<u>4.0</u>	<u>-30</u>	<u>-2.5</u>
For sale	<u>230</u>	<u>532</u>	<u>500</u>	<u>30</u>	<u>8.4</u>	<u>-5</u>	<u>-.9</u>
Homeowner vacancy rate	.9%	1.6%	1.4%	-	-	-	-
For rent	<u>684</u>	<u>826</u>	<u>650</u>	<u>14</u>	<u>1.9</u>	<u>-25</u>	<u>-3.6</u>
Rental vacancy rate	6.5%	8.5%	6.8%	-	-	-	-
Other vacant units	<u>2,543</u>	<u>2,663</u>	<u>2,700</u>	<u>12</u>	<u>.5</u>	<u>5</u>	<u>.2</u>

<sup>a/</sup> Rounded.

<sup>b/</sup> Derived through the use of a formula designed to calculate the rate of change on a compound basis.

Note: Subtotals may not add to totals because of rounding.

Sources: 1950 and 1960 Censuses of Housing; 1967 estimated by Housing Market Analyst.



Table VIII

Muskegon, Michigan, Area Postal Vacancy SurveyFebruary 7-13, 1967

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			No.	%
The Survey Area Total	<u>40,767</u>	<u>889</u>	<u>2.2</u>	<u>832</u>	<u>57</u>	<u>160</u>	<u>38,077</u>	<u>638</u>	<u>1.7</u>	<u>600</u>	<u>38</u>	<u>132</u>	<u>2,690</u>	<u>251</u>	<u>9.3</u>	<u>232</u>	<u>19</u>	<u>28</u>	<u>416</u>	<u>6</u>	<u>1.4</u>
Muskegon	<u>37,430</u>	<u>784</u>	<u>2.1</u>	<u>733</u>	<u>51</u>	<u>146</u>	<u>34,766</u>	<u>538</u>	<u>1.5</u>	<u>506</u>	<u>32</u>	<u>118</u>	<u>2,664</u>	<u>246</u>	<u>9.2</u>	<u>227</u>	<u>19</u>	<u>28</u>	<u>416</u>	<u>6</u>	<u>1.4</u>
Main Office	24,523	478	1.9	455	23	98	23,053	329	1.4	316	13	70	1,470	149	10.1	139	10	28	2	-	0.0
Branches:																					
Muskegon Heights	8,545	208	2.4	200	8	28	7,526	131	1.7	123	8	28	1,019	77	7.6	77	-	-	338	6	1.8
North Muskegon	4,362	98	2.2	78	20	20	4,187	78	1.9	67	11	20	175	20	11.4	11	9	-	76	-	0.0
Other Cities and Towns	<u>3,337</u>	<u>105</u>	<u>3.1</u>	<u>99</u>	<u>6</u>	<u>14</u>	<u>3,311</u>	<u>100</u>	<u>3.0</u>	<u>94</u>	<u>6</u>	<u>14</u>	<u>26</u>	<u>5</u>	<u>19.2</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Montague	1,593	56	3.5	50	6	14	1,579	51	3.2	45	6	14	14	5	35.7	5	-	-	-	-	-
Whitehall	1,744	49	2.8	49	-	-	1,732	49	2.8	49	-	-	12	-	0.0	-	-	-	-	-	-

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, public housing units, and units used only seasonally. The survey does not cover stores, offices, commercial hotels and motels, or dormitories; nor does it cover boarded-up residences or apartments that are not intended for occupancy.

The definitions of "residence" and "apartment" are those of the Post Office Department, i. e.: a residence represents one possible stop with one possible delivery on a carrier's route; an apartment represents one possible stop with more than one possible delivery.

Source: FHA postal vacancy survey conducted by collaborating postmaster(s).